



GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

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STATE OF CALIFORNIA ♦ OFFICE OF GOVERNOR GAVIN NEWSOM



# California Competes Application Guide

(Updated June 2023)

## Foreword

This guide is to be used as a reference for completing the California Competes Tax Credit or Grant application and is a supplement to the California Competes statutes and regulations. Prospective applicants should read this guide before starting and while completing the application.

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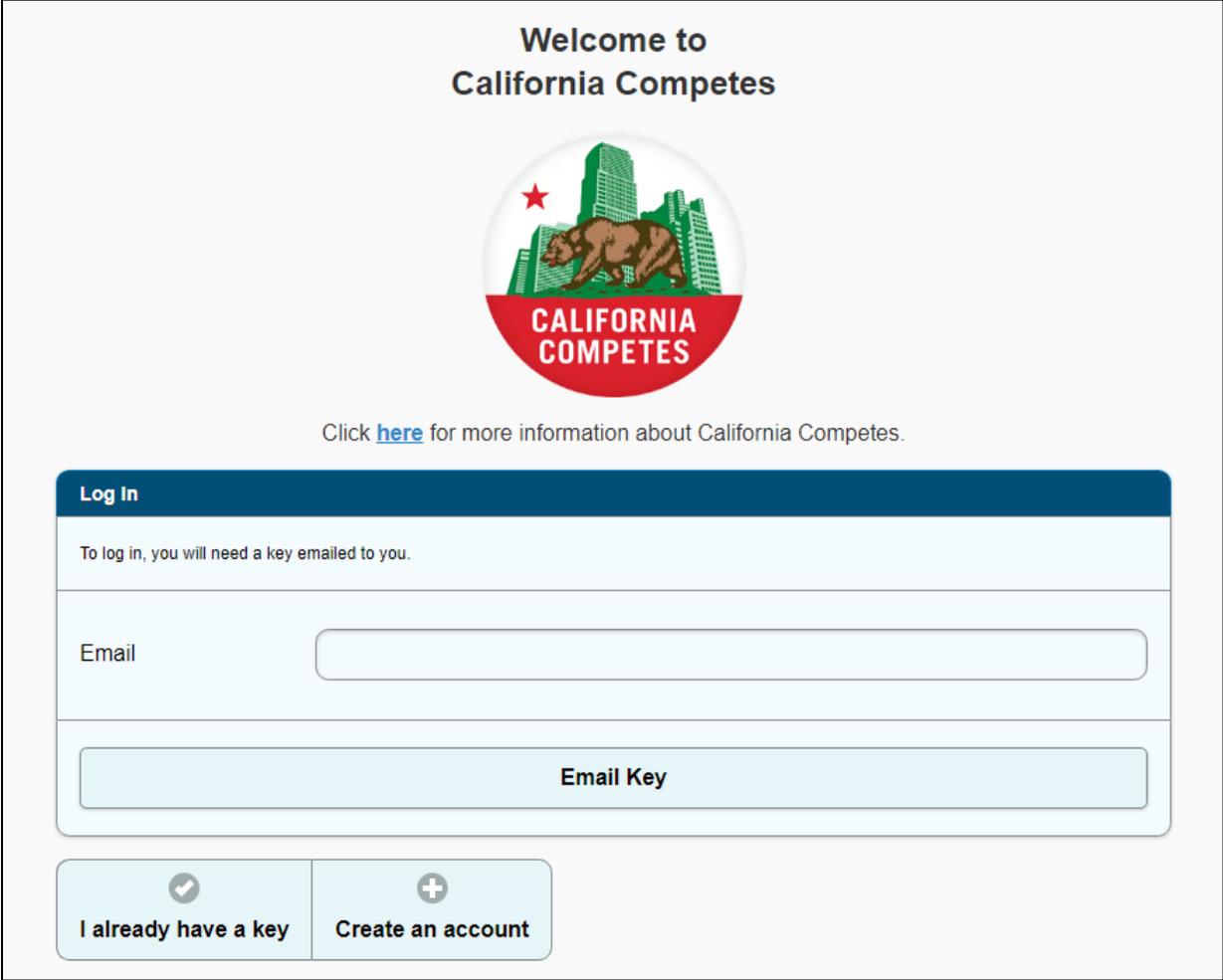
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## I. Creating an Account Profile

The California Competes Tax Credit or Grant application must be submitted on-line at [www.calcompetes.ca.gov](http://www.calcompetes.ca.gov).<sup>1</sup> The first step to complete the application is to create an account by selecting the "Create an Account" button on the login screen as shown below. The user will then be prompted to create an account and be asked to enter his or her name, phone number(s) and email address.

Figure 1: Login Screen



Welcome to  
California Competes

Click [here](#) for more information about California Competes.

**Log In**

To log in, you will need a key emailed to you.

Email

**Note:** Consultants, attorneys, and other authorized representatives should use their own personal information for the purpose of creating an account. The application system allows a single account holder to create, edit, submit, and have access to multiple applications.

For security reasons, GO-Biz requires an access key process each time an applicant logs into his or her account. Thus, each time a user wishes to log into his or her account, the user must enter his or her

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<sup>1</sup> GO-Biz complies with the Americans with Disabilities Act. If an applicant is unable to complete the online application due to a disability, please contact GO-Biz to request a reasonable accommodation.

email address in the "Email" field at [www.calcompetes.ca.gov](http://www.calcompetes.ca.gov), and then click on the "Email key" button. A six-digit access key will be e-mailed to the applicant's email address. The user then copies the access key from his or her email and pastes it into the required text box on the California Competes application site to gain access to his or her account. A new access key is needed each time a user logs into his or her account. For security reasons, access codes expire after 30 minutes. If the access code expires prior to the user logging into his or her account, the user will need to repeat the login process and obtain a new access key.

**Note:** Some email servers with aggressive SPAM/virus protection can delay delivery of the email. If the delay is greater than 30 minutes, the applicant will not be able to log in. There are two possible solutions:

- 1) If the user is using his or her employer's email system, the user may request the employer's IT team to allow emails from [noreply@calcompetes.ca.gov](mailto:noreply@calcompetes.ca.gov) to be immediately delivered and/or add this email address to a "trusted" list; or
- 2) The user may use an alternative email provider (e.g., Gmail, Yahoo, Hotmail, etc.) that does not have the same delivery delays.

#### Commonly Asked Questions:

**Q: Why didn't I receive an access code?**

**A: Make sure that the email being used is the same email address that is contained in the account profile. Also, check the spam filters as the email might have been blocked.**

**Q: How do I edit my profile?**

**A: The profile can be edited at any time by clicking on the account applicant name in the top-right corner of the application and selecting "edit my profile." Note: changing the email address will change the email address required for login purposes.**

## II. Creating an Application

To create an application, log into the system at [www.calcompetes.ca.gov](http://www.calcompetes.ca.gov) and click the "Create a New Application" button.

Figure 2: Home Screen



From the Create Application Page the applicant will be asked to provide basic information about the applicant. Please make sure that the “Applicant’s Legal Name” is the official, legal business name of the applicant.

**A. Application Type**

Applicant will select “Tax Credit” or “Grant.” If the applicant selects “Grant,” three additional questions will populate (see Figure 4).

**B. Current Taxable Year**

The “Current Taxable Year” is the applicant’s current taxable year as of the last day to submit an application during the application period.

**C. Accounting Period End Date**

The “Accounting Period End Date” is used to identify whether the applicant files its state income tax returns on a calendar year basis or a fiscal year basis.

Figure 3: Applicant Information Page

**Create Application**

Application Type

Applicant's Legal Business Name

Has the applicant previously been awarded a California Competes Tax Credit?

Applicant's Current Taxable Year (As of  **(Select a Year)**)

Accounting Period End Date **(Select an Accounting Period)**

Accounting Period End Date (If Other)

Description of Other Accounting Period End Date (Optional)

**Create Application**

**Note:** The date associated with the “Applicant’s Current Taxable Year” will change to reflect the end date of each application period.

Figure 4: Grant Qualification Questions

The screenshot shows a web form titled "Create Application" with a back arrow icon. Below the title, there is a dropdown menu for "Application Type" with "Grant" selected. A dark blue header bar contains the text "Grant Qualification Questions". Below this header are three questions, each followed by a light blue dropdown menu:

- Question 1: "Will the applicant create at least 500 new, full-time jobs in this state, determined on the basis of an annual full-time equivalent, as defined in [Section 8000 of Title 10 of the California Code of Regulations](#)?"
- Question 2: "Will the applicant make a significant infrastructure investment, defined as a project requiring construction or renovation expenditures of at least ten million dollars (\$10,000,000) over no more than five years, in this state?"
- Question 3: "Will the applicant will create jobs or make the investments in a high-poverty area or high-unemployment area, as defined in [Section 8000 of Title 10 of the California Code of Regulations](#)? Please click here for a list of cities and counties that meet this criteria."

To be eligible to apply for a CalCompetes Grant, applicant must answer “yes” to **at least one** of the three Grant eligibility questions.

The applicant may only apply for the Tax Credit or the Grant, but may not apply for both in the same application period.

### III. Navigating and Submitting the Application

Once the information required in the Create Application section is entered, the applicant can move through the 11 sections of the application, as shown in Figure 5.

Figure 5: Application Summary Page

Sections	
Contact Information	Not Started >
Business Information	Not Started >
Business Structure	Not Started >
Proposed Project	Not Started >
Project Locations	Not Started >
Employees	Not Started >
Investment	Not Started >
Ownership	Not Started >
Incentives and Programs	Not Started >
Litigation and Violations	Not Started >
Consultant Questions	Not Started >

Submit Options Report Files

As questions are answered within each section, the applicant may click the "Save" button at the bottom of the page to save his or her progress. This action will update the Application Summary Page to show the section is "In Progress".

Figure 6: Save Progress

Save Complete Cancel

Help Contact Us Terms of Use

Once all the questions within a section have been answered, click on the "Complete" button. All sections must be marked as "Complete" before the application can be submitted. Applicants can still make changes to sections marked as complete up until the deadline to submit applications.

When all required sections have been completed, the applicant may submit the application by clicking on "Submit" from the Application Summary page. The "Submit" button will not be active until all sections have been completed.

Figure 7: Submitting Application

Sections	
Contact Information	Complete >
Business Information	Complete >
Business Structure	Complete >
Proposed Project	Complete >
Project Locations	Complete >
Employees	Complete >
Investment	Complete >
Ownership	Complete >
Incentives and Programs	Complete >
Litigation and Violations	Complete >
Consultant Questions	Complete >

Submit    Options    Report    Files



Once submitted, an applicant can print a PDF copy of the application by clicking on the “Report” button at the bottom of the home page. The applicant can retain this PDF for future reference and to ensure inputs were accurate. Additionally, provided that an application period is still open, an applicant can “Recall” a previously submitted application made within that same application period, amend it, and re-submit it. The “Recall” feature becomes available under the “Options” tab after an application has been submitted and serves the general purpose of amending a submitted but active application prior to the close of an application period. Finally, if the applicant is not awarded a California Competes Tax Credit or Grant, the applicant has the option to copy and resubmit the same application in the next application period using the copy feature located in the “Options” tab. Please note various sections will have to be updated to reflect the new application period.

#### IV. Contact Information

In this section the applicant must add contact information (name, email address, phone number, etc.) for the applicant or an employee of the applicant that is most familiar with the applicant’s proposed project that is the basis for the award of the California Competes Tax Credit or Grant. The applicant must also add contact information for the person that is designated as the primary contact person that is authorized to speak and negotiate on behalf of the applicant with GO-Biz. Contacts added in this

section are only used for communication purposes; this does not grant the contact access to the online application. To authorize a contact access to the online application, click on “Options” at the bottom of the Application Summary screen and then click on “Application Users”. Please note that all new application users must create their own account prior to this action.

**Note:** Please ensure the email address provided for the primary contact person is regularly monitored as this is the email address GO-Biz will use as the primary means of communication throughout the application process. GO-Biz is not responsible for non-received emails due to spam filters, internet connectivity issues, or any other similar disruptions in service.

## V. Business Information

In this section the applicant must provide general information regarding the applicant’s identification information and industry.

### A. Legal Business Name

The name the business uses for legal and tax purposes. This information will automatically be brought over from the initial Create Application screen. However, it can be changed on this screen if necessary. The name should be the same as it appears on its registration with the Secretary of State and/or on the tax return it files with the Franchise Tax Board.

### B. Annual Worldwide Gross Receipts in Previous Tax Year

Disclose whether the applicant’s worldwide gross receipts in its taxable year prior to its current taxable year were greater than \$0 and less than \$15 million, \$15 million or greater, or if the applicant had no gross receipts.

### C. Federal Employer Identification Number

The Federal Employer Identification Number (also known as FEIN or EIN) is a 9-digit number issued to a business by the IRS for identification of the business entity. It is found on the business’ tax return. If the applicant does not have a FEIN, then leave this field blank.

### D. California Taxpayer Identification Number

The California Taxpayer Identification Number is the number the applicant uses to file tax returns with the Franchise Tax Board. If the applicant operates as a sole proprietorship or does not have a California Taxpayer Identification Number, then leave this field blank.

### E. Secretary of State Entity Number

The Secretary of State Entity Number is the identification number issued to the applicant by the California Secretary of State. If the applicant does not have a Secretary of State Entity Number, then leave this field blank.

## F. Year Business Established

The year the business was originally established.

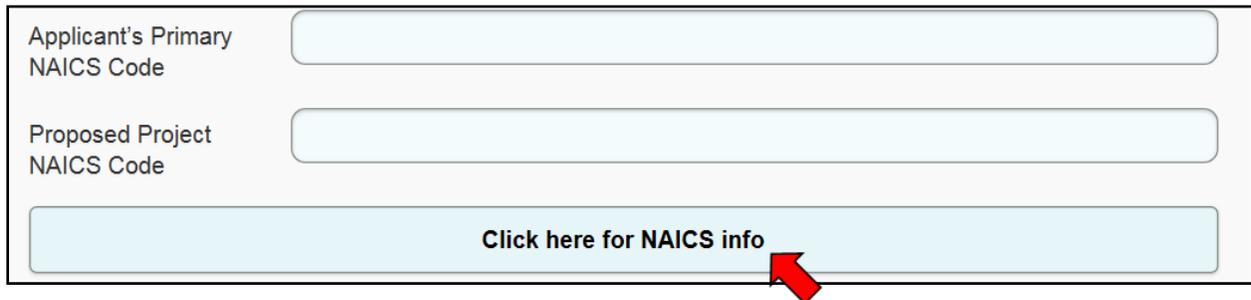
## G. Primary Place of Business

Please enter the applicant's primary business address. If the applicant operates out of multiple sites, choose the address that is identified as the headquarters. If the primary business address is not in the US, select the country where the primary business address is located and use the additional provided territory and postal code spaces to enter the full address.

## H. NAICS Code

The North American Industry Classification System (NAICS) is a business establishment classification system used to track economic activity in North America. To determine the appropriate codes to enter, click on the "Click here for NAICS info" button which will take the applicant to the [U.S. Census Bureau's NAICS website](#). Use this website to find the six-digit industry classification code that matches the applicant's primary source of revenue. If there is not a NAICS code that is an exact match, choose a code that is closely related. The applicant's primary NAICS code and proposed project NAICS code do not necessarily need to be the same.

Figure 8: NAICS Input Section



The screenshot shows a form with two input fields and a button. The first input field is labeled "Applicant's Primary NAICS Code". The second input field is labeled "Proposed Project NAICS Code". Below these fields is a button labeled "Click here for NAICS info". A red arrow points to the button.

## VI. Business Structure

This section is used to identify the applicant's state or country of formation, registration or incorporation and its structure. The "Entity Location" field has two options, "US" or "Non-US." If the applicant is only licensed, formed, registered or incorporated outside of the United States, select the "Non-US" option. The "Entity type" field is used to identify the applicant's business structure (sole proprietorship, partnership, corporation, etc.). If the business is an S Corporation or C Corporation, the applicant will be asked if the applicant is a publicly traded company and if the applicant is incorporated in California or qualified with the California Secretary of State to transact intrastate business in California.

## VII. Proposed Project

In this section the applicant must provide information about the applicant's proposed project and specify the total amount of California Competes Tax Credit or Grant requested.

## A. Summary of the Proposed Project

Key Definition	
<b>Project</b>	Is the applicant's proposed business venture, investment, or expansion in this state that is the basis for award of the California Competes Tax Credit or Grant.

The project summary section has a 1000 character minimum and a 7000 character (i.e., letters, numbers, spaces, and punctuation) limit. The California Competes team suggests creating the summary in a word processing program that can automatically track character count and perform spell/grammar check functions. The Applicant can then copy/paste the final version into the application. The formatting (e.g., font, style) in this section of the application is not important as it saves as plain text. 7000 characters is approximately 2 pages single-spaced.

Use this section to provide all relevant details of the project. Be sure to clearly describe the applicant's business, its customers/clients (and where they are located), and how the specific amount of credit being requested will enable or incentivize the proposed expansion. Additionally, please include an in-depth explanation of how award of the credit will impact the applicant's ability and/or willingness to create new full-time jobs in California that may not otherwise be created by the applicant or any other business in California. If needed, please use this space to expand upon the purpose, location, or scope of the project. The summary should convey a clear understanding of the types of activities that will take place such as the nature of the work (e.g., widget manufacturing), classification(s) of full-time employees being hired/retained (e.g., forklift drivers, scientists, machinists, etc.), and a general description of the nature of investments (e.g., building construction, manufacturing equipment, vehicles, etc.).

## B. Description of the Proposed Project

Select the box that best fits the project. If the project has multiple components such as growth and in-state relocation, select one of the boxes and elaborate in the project summary section the details regarding the activities that will take place as part of both the growth and in-state relocation. The "retention only" box should only be checked if the applicant is not proposing any new full-time jobs over the 5-year period.

Figure 9: Description of the Project

<input checked="" type="radio"/>	<b>This is a growth project for an applicant located in California.</b>
<input type="radio"/>	<b>This is a project for an out-of-state applicant coming to California.</b>
<input type="radio"/>	<b>This project is a relocation within California.</b>
<input type="radio"/>	<b>This project is a California retention only project.</b>

### C. Absent Award

If an applicant answers “Yes” or “It May” to either or both of the questions in Figure 10, the applicant automatically moves into Phase II, regardless of its ratio. In Phase II of the application process the applicant will be required to submit declarations affirming those statements are true along with additional details. The declaration will need to be signed by the applicant's Chief Executive Officer, President, Chief Financial Officer, or other equivalent officer or representative.

Figure 10: Absent Award

Will the project occur in another state if the applicant is not awarded the California Competes Tax Credit?	<input type="button" value="v"/>
Will the applicant terminate all or a portion of its employees in California, or relocate all or a portion of its employees in California to another state if the applicant is not awarded the California Competes Tax Credit?	<input type="button" value="v"/>
<b>Note: Retention only projects and applicants answering "yes" or "it may" to either of the two questions above will need to submit in Phase II a declaration signed by the applicant's Chief Executive Officer, President, Chief Financial Officer or equivalent officer or representative that states “absent award of the California Competes Tax Credit, the project may occur in another state or the applicant may terminate all or a portion of its employees in California or relocate all or a portion of its employees in California to another state.”</b>	

### D. High Unemployment and High Poverty Areas

If an applicant answers “Yes” to the question in Figure 11, the applicant automatically moves into Phase II, regardless of its ratio. A list of “high unemployment” and “high poverty” areas (Cities or Counties) can be found by clicking on the “here” link as shown in Figure 11.

Note that if the project city or county is not found on the list provided in the link, then that city or county does not meet the regulatory criteria to be considered a “high unemployment” or “high poverty” area, and the applicant should select “no” in answer to this question.

Figure 11: High Unemployment or High Poverty

Will at least 75% of the applicant's net increase of full-time employees work at least 75% of the time in a city or county that qualifies as an area of high unemployment or high poverty?	<input type="button" value="v"/>
Click <a href="#">here</a> for a list of cities and counties that qualify as high unemployment and high poverty areas in California  the current application period.	

### E. Relocation Declaration

If an applicant answers “Yes” to the question in Figure 12, the applicant may be required to submit declarations affirming the statement is true along with additional details. The

declaration will need to be signed by the applicant’s Chief Executive Officer, President, Chief Financial Officer, or other equivalent officer or representative.

Figure 12: Relocation Declaration

<p>Is the applicant proposing to relocate jobs into California from a state that has enacted a law that does any of the following:</p> <p>(i) Voids or repeals, or has the effect of voiding or repealing, existing state protections against discrimination on the basis of sexual orientation, gender identity, or gender expression.</p> <p>(ii) Authorizes or requires discrimination against same-sex couples or their families, or discrimination on the basis of sexual orientation, gender identity, or gender expression.</p> <p>(iii) Creates an exemption to antidiscrimination laws in order to permit discrimination against same-sex couples or their families, or permits discrimination on the basis of sexual orientation, gender identity, or gender expression.</p> <p>(iv) Denies or interferes with, or has the effect of denying or interfering with, a woman’s right to choose to bear a child or to choose and obtain an abortion, as provided by Article 2.5 (commencing with Section 123460) of Chapter 2 of Part 2 of Division 106 of the Health and Safety Code.</p>	<input type="button" value="v"/>
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## F. Proposed Increase of Employees and Investment

The questions in Figure 13 relate to the nature of the applicant’s proposed increases in employees or investments related to the project. The options for answering the questions are “Yes or No.” Applicants answering “Yes” to any of the questions will be asked to provide additional information in the second phase of the application evaluation process (if the application is moved to the second phase).

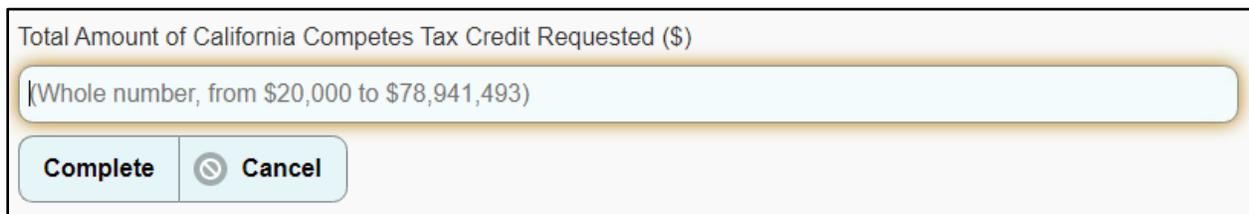
Figure 13: Employee & Investment Input Section

Is all or a portion of the applicant’s proposed increase of employees or investment due to an acquisition of, or merger with, another business?	<input type="button" value="v"/>
Is all or a portion of the applicant’s proposed increase of employees due to an employee leasing arrangement with another business?	<input type="button" value="v"/>
Is all or a portion of the applicant’s proposed increase of employees due to a reclassification of independent contractors or conversion of employees employed by any type of temporary services provider?	<input type="button" value="v"/>
Is all or a portion of the applicant’s proposed increase of employees due to a transfer of employees from any member of a “controlled group of corporations” (as defined in Revenue and Taxation Code section 23626) in which the applicant is a member?	<input type="button" value="v"/>
Does the applicant currently or plan to use a professional employer organization (PEO) as the employer of record?	<input type="button" value="v"/>
Is all or a portion of the applicant’s proposed investment due to a conversion from a lease to a purchase or vice versa of real or personal property it already controls or has already acquired?	<input type="button" value="v"/>

## G. Total Amount of California Competes Tax Credit or Grant Requested (\$)

Enter the total amount of California Competes Tax Credit or Grant the applicant is requesting. The minimum credit request is \$20,000 and the maximum is 20% of the total amount allocated for the fiscal year. The minimum grant request is \$5,000,000 and the maximum is \$36,000,000. For fiscal years beginning on or after 2023-2024 fiscal year, if the grant will be used as a state match for a business applying for or obtaining federal incentives to conduct semiconductor research and development or manufacturing, the applicant is not subject to any cap on the maximum grant request. The minimum and maximum amounts will appear in the text field as shown in Figure 14. Remember that this is the amount you are requesting for the full 5 years of the proposed project. In other words, if you need \$1,000,000 per year for the next 5 years to ensure the success of your project, you would request \$5,000,000 in this section (\$1,000,000 per year x 5 years = \$5,000,000).

Figure 14: Credit or Grant Requested Input Section



Total Amount of California Competes Tax Credit Requested (\$)

(Whole number, from \$20,000 to \$78,941,493)

Complete Cancel

## VIII. Proposed Locations

This section is used to identify the location(s) of the proposed project, which may or may not be the applicant's current primary business address. This information will be used to identify the areas of the state that will experience an economic impact due to the proposal. To add a project location, click on the "Add Project Location" as shown in Figure 15. Please include all locations where you project to create new full-time jobs and/or make investments in real or personal property.

Figure 15: Adding Proposed Project Locations



Project Locations

No Project Locations.

+ Add Project Location

Complete Cancel

Once the “Add Project Location” is clicked, enter the information in the requested fields as shown below and click “Add Project Location” to save the information. If the project involves multiple locations, repeat this process until all of the locations have been added.

Figure 16: Proposed Project Location Input Page

**Project Location**

Address Line 1

Address Line 2

City

County

State **California Only**

US Zip Code

This is the primary location

**Add Project Location** **Cancel**

The first location entered is designated as the primary location by default. However, after a second location is entered the applicant can designate that or another address as the primary location by checking “This is the primary location” which activates upon input of additional proposed locations. The applicant can return to a saved project location to make this selection once all locations are input into the application.

**Commonly Asked Question:**

**Q: What if the location(s) of my project is/are currently unknown?**

**A: Provide an estimation of the project location(s) by identifying the city and zip code that the applicant is targeting; enter "unknown" in the address line. If either or both the city and zip code are unknown, enter “unknown” in the city and “00000” in the zip code and provide an explanation in project summary field location in the proposed project section.**

**IX. Employees**

This section is used to identify the applicant’s current number of full-time and part-time employees, the wages and tax year of hiring for new full-time employees, as well as the number of full-time employees, determined on an annual full-time equivalent basis, employed by the applicant in its “base year” as well as the number of full-time employees, determined on an annual full-time equivalent basis, to be employed by the applicant in its current tax year and four subsequent tax years. This information will be used to calculate the applicant’s “aggregate employee compensation,” which is automatically calculated in this section.

The information entered in this section should represent a good faith projection of the total number of full-time employees the applicant will employ in California. The amounts entered will be used as the basis for the California Competes Tax Credit or Grant agreements. Any applicant that reduces its hiring projections by more than 5 percent at the written agreement phase may be rejected for the credit or grant.

Key Definitions	
<b>Full-time Employee</b>	Is an individual that is paid wages for services in California of not less than an average of 35 hours per week.
<b>Wage or Wages</b>	Is the amount of monetary compensation a full-time employee (whether paid by the hour or a salary) is paid by the applicant per year and does not include tips, overtime, bonuses, commissions, stock options, benefits or other compensation of any kind. When answering the questions that request the minimum and average wages of California full-time employees hired/to be hired, use the wages the full-time employee(s) would make in a full year of employment, without regard to the projected date of hire.
<b>Base Year</b>	Is the applicant’s taxable year immediately before the applicant’s taxable year in which the application is submitted. The last day during an application period in which an applicant may submit an application is deemed the date an application is submitted. For applicants who first commence doing business in California during the taxable year in which an application is submitted, the number of full-time employees for the base year shall be zero.
<b>Annual Full-time Equivalent</b>	Is defined as either of the following: <ul style="list-style-type: none"> <li>• In the case of a full-time employee paid hourly wages, “annual full-time equivalent” means the total number of hours worked for the applicant by the employee during the taxable year, not to exceed 1,750 hours per employee, divided by 1,750.</li> <li>• In the case of a salaried full-time employee, “annual full-time equivalent” means the total number of weeks worked for the applicant by the employee during the taxable year, not to exceed 50, divided by 50.</li> </ul>



## Documents Needed

- Payroll records for full-time employees employed by the applicant in its prior tax year
- Projected number, dates, and wages for new full-time employees in the applicant's current and four subsequent tax years as well as employee attrition projections or known future reductions of employees

### A. Existing Number of Full-time and Part-time Employees in California / US / Worldwide

Questions 1-4 request the number of full-time employees that the applicant currently employs in California, the United States, and Worldwide as of the date the application is submitted. This number is not used for any calculations and is only used to provide a snapshot of the applicant's current employment levels. The number of worldwide full-time and part-time employees should be inclusive of the California employees. The answers to these 4 questions are not calculations. Instead, they should be the actual headcounts at the time the applicant submits its application.

### B. Number, Minimum and Average Wages of Full-time California Employees Hired/Proposed to be Hired

Questions 5-20 request the projected hiring information for full-time California employees for the applicant's current tax year and four subsequent tax years. When answering these questions, use the wages the full-time employee(s) will make in a full year of employment, without regard to the projected date of hire. Please refer to the definition of "wage or wages" above.

### C. Base Year Calculation

Questions 22-27 relate to the applicant's base year **and must be based on actual payroll records, not estimates**. These questions pertain to the applicant's total number of full-time employees in California and not just employees related to the project. The system will insert the applicant's base year which is determined by the answers to the questions in the create application section discussed previously. The answers to these questions will determine how many California full-time employees the applicant employed, determined by an annual full-time equivalent calculation, in the base year in order to measure its growth in full-time California employees in future tax years. The annual full-time equivalent calculation is used to measure the number of full-time employees employed by the applicant at any point during the year, not just at the time of completing the application. The calculation takes into account full-time employees that did not work an entire year. Applicants need to account for all full-time employees that were on the company's payroll at any point during its base year.

## D. Current Tax Year and Four Subsequent Tax Years

Questions 28-57 relate to the applicant’s current tax year and four subsequent tax years. These questions pertain to the applicant’s total number of full-time employees to be employed in California and not just employees related to the project. The answers to these questions will be used to determine the applicant’s net increase of California full-time employees, determined by an annual full-time equivalent calculation, compared to the number of California full-time employees employed by the applicant in its base year, also determined by an annual full-time equivalent calculation. The system will automatically compute and display the number of full-time employees, determined on an annual full-time equivalent basis, for the applicant’s current and four subsequent tax years. The system will then use this information and the average annual wages information previously entered to compute and display the applicant’s “Aggregate Employee Compensation” at the end of the section. The questions in this section use the verb “employ” and not “hire”. As such, applicants should include all employees that it will employ in any given tax year including both existing employees and those you plan to hire during the year.

## X. Investment

This section is used to determine the applicant’s “aggregate investment” and the system will automatically compute and display this amount at the end of the section.



### Documents Needed

- **Projected Investments of “real” and “personal” property related to the project that the applicant will purchase or lease after the deadline to submit an application during the application period**
- **Costs or value of the proposed investments. While costs are not broken out in Phase I, the applicant will be asked for a breakdown of investment expenditures in Phase II (if the application is moved to the second evaluation phase)**

### Key Definitions

<b>Investment</b>	The amount paid for “real” and “personal” property purchased or leased after the close of the current application period, directly related to the applicant’s proposed project.
<b>Real Property</b>	Is any property located in this state that is attached directly to land, as well as the land itself. It includes, but is not limited to all, land, structures, firmly attached and integrated equipment, anything growing on the land, and all other “interests” in the property which may be the right to future ownership, right to occupy for a period of time, or an easement across another’s property. Real property also includes capitalized costs related to new construction, reconstruction, or expansion of buildings or structures which will be used in the applicant's trade or business in connection with the project and are subject to depreciation.
<b>Personal Property</b>	Is property that is tangible, movable property, including, but not limited to, vehicles, movable fixtures, equipment, electronic devices, intangible property, including, but

	not limited to, software licenses, intellectual property acquired in connection with the project that has a quantifiable value, and other business assets which are subject to depreciation.
<b>Significant Infrastructure Investment</b>	Project requiring construction or renovation expenditures of at least ten million dollars (\$10,000,000) over no more than five years, in this state. Applicants will identify all proposed investments (as defined by the regulations) in the application; however, only investments that fall under this definition will count towards application eligibility for the California Competes Grant (if not seeking eligibility with one of the other two criteria).

List the total amount of investments in real and personal property for the applicant’s current tax year and 4 subsequent tax years. Please keep in mind that applicants should not include:

- 1) Investments made prior to the application submission deadline and
- 2) Investments which the applicant already committed to in a previously approved California Competes Tax Credit agreement (for applicants that have previously been awarded a credit under this program).

Please list for each tax year the amount of investments directly related to the project. Directly related means actions or purchases made in connection with the project that would not have been otherwise purchased or incurred but for the project.

The aggregate investment for all 5 tax years is automatically calculated at the end of the section.

## XI. Ownership

Only persons or entities that have a 25% or more ownership interest in the applicant need to be listed here. If there are no persons or entities that have at least a 25% interest in the applicant, leave this section blank and check it as completed. To add an owner, click “Add Owner” as shown in Figure 17.

Figure 17: Owner Interest Page

The screenshot shows a user interface for listing owners. At the top, there is a dark blue header with the text "Owners (0%)". Below the header, the text "No Owners." is displayed. Underneath, a message states "Owners with a share of 25% or more must be listed here." At the bottom of the section, there are three buttons: "Add Owner" (with a plus icon and a red arrow pointing to it), "Complete", and "Cancel" (with a power-off icon).

After clicking “Add Owner” enter the owner’s name, percentage of ownership, and then click “Add Owner” as shown in Figure 18.

Figure 18: Ownership Percentage Input Page

Owner Name

Percentage (Between 25% and 100%)

**Add Owner** **Cancel**

Repeat the above steps until all owners with a 25% or greater ownership interest in the applicant have been added.

## XII. Incentives and Programs

This section asks to identify incentives that the applicant receives or intends to receive. Be sure to include the dollar value all of state incentives the applicant expects to receive per year as shown in Figure 19.

Figure 19: Other Incentives and Programs Page

Total value of California State incentives available to applicant per year, excluding California Competes (\$)

**Save** **Complete** **Cancel**

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## XIII. Litigation and Violations

This section requires notice of any current material litigation and any previous violations involving the applicant and (or) any person/entity with at least 25% ownership interest in the applicant. The applicant will be asked to describe any current material litigation in this section and answer the questions shown in Figure 20. Applicants answering “Yes” to any of the questions will be asked to provide additional information in the second phase of the application evaluation process (if the application is moved to the second phase).

Figure 20: Litigation and Violations Questions

Is the applicant or any person or entity with a 25% or greater ownership interest in the applicant currently involved in any material litigation?	<input type="text"/>
Is there any pending or resolved California Environmental Quality Act litigation relating to the applicant's project?	<input type="text"/>
Within the last 10 years, has the applicant or any person or entity with a 25% or greater ownership interest in the applicant been involved in any state or federal labor law violation, citation, fine, or penalty?	<input type="text"/>
Within the last 10 years, has the applicant or any person or entity with a 25% or greater ownership interest in the applicant been involved in any state or federal occupational safety and health litigation, or involved in any state or federal occupational safety and health violation, citation, fine, or penalty?	<input type="text"/>
Within the last 10 years, has the applicant or any person or entity with a 25% or greater ownership interest in the applicant been involved in any state or federal environmental (including but not limited to air, water, and ground) litigation, or involved in any state or federal environmental (including but not limited to air, water, and ground) violation, citation, fine, or penalty?	<input type="text"/>
Within the last 10 years, has the applicant or any person or entity with a 25% or greater ownership interest in the applicant had any California, any other state, or federal tax lien recorded against them?	<input type="text"/>
Describe material litigation, regulatory violations, and/or tax liens, including how the litigation/violations were resolved and steps taken to prevent recurrences (6000 characters)	
<input type="text"/>	

Key Definition	
<b>Material Litigation</b>	Is any litigation deemed significant to the applicant's financial health and required to be referenced in the applicant's annual audited financial statements, or would be the type of information that is reported to shareholders, members, or similar individuals, or would be deemed material information that an investor or person providing capital would deem material in making a financial decision regarding the applicant.

**Note:** GO-Biz acknowledges many businesses, especially large ones, are often involved in litigation and/or have relatively minor violations on a regular basis. Being involved in material litigation or having a violation will not necessarily disqualify an applicant.

#### XIV. Consultant Questions

This section requires the applicant to disclose if a consultant or any other third party provided any services for a fee relating to the California Competes Tax Credit or Grant. If a consultant or third party is involved, describe the nature and amount of the fee arrangement.

#### XV. Additional Assistance

If any additional assistance is needed, please email [CalCompetes@gobiz.ca.gov](mailto:CalCompetes@gobiz.ca.gov) or call 916-322-4051.